East Lothian Council

REPORT TO: Policy & Performance Review Committee

MEETING DATE: 27 January 2015

BY: Depute Chief Executive (Partnerships and Community Services)

SUBJECT: Overview of HGIOC Self-evaluation 2014

1   PURPOSE

1.1   To provide the PPRC with an overview of the HGIOC self-evaluation 2014 and related improvement actions

2   RECOMMENDATIONS

2.1   The Committee is asked to use the information provided in this report to consider whether any aspect of the Council's performance is in need of improvement or further investigation.

3   BACKGROUND

3.1   HGIOC is the Council's self-evaluation model, which is used by all services to help identify strengths and areas for improvement. The aim of HGIOC is to engage managers, a wide range of staff and other stakeholders to undertake a self-evaluation of the service and the Council to determine how each service and the Council might improve. Several sources of evidence are used to help identify strengths and weaknesses, including stakeholder views, performance information and other documentary evidence. The results of HGIOC are used to inform service plans and the Council Improvement Plan.

3.2   HGIOC has been undertaken by Council services annually since 2009/10. Significant revisions have been made to the HGIOC model since 2010 in response to feedback from participants in the process. However, recent changes have been relatively minor to allow participants to become familiar with the process.

3.3 Changes for 2014 included splitting the questions into those that should be addressed by managers and those that should be addressed by a wider group of employees. Splitting the questions in this way ensures the exercise is inclusive, reduces the workload on participants in the HGIOC process and helps to ensure that the questions are relevant to the participants.

3.4 Another recent change to HGIOC has been the selection of some questions on the basis of risk. Prior to the 2014 self-evaluation all services addressed every HGIOC question. Using a risk-based approach in the 2014 HGIOC allowed a greater focus upon areas highlighted as being of concern either nationally or locally, including resources and financial management.

3.5 Due to the adoption of a risk based approach the number of questions in HGIOC reduced from 102 in 2013 to 48 in 2014. 31 questions were addressed by the wider group of employees in each service and the remaining 17 'risk based' questions were dealt with by managers from each service. It is our intention for HGIOC 2015 to once again include all 31 staff questions and a different set of 'risk based' manager questions.

3.6 The full list of services that undertook a HGIOC self-evaluation in 2014 can be found in Appendix A. It should be noted that due to the major council services re-structuring that took place in 2014 many of these service groupings were significantly different from the services that undertook HGIOC in 2013.

3.7 Due to the Council re-structuring in 2014 HGIOC was undertaken later than in previous years and over a longer timescale so that some services did not complete their HGIOC until late in 2014.

Summary of results from HGIOC 2014

3.8 Overall the results (the average scores for each of the questions) from HGIOC 2014 show a slight decline overall in comparison to those from 2013. Appendix B shows the average score (out of 6) for each question. The difference in score between 2013 and 2014 is also shown. Scores that have changed by 0.3 or more are highlighted with a green or red arrow to highlight their improvement or decline.

3.9 However, comparisons between 2013 and 2014 need to be treated with caution. Although some scores are representative of a Council-wide position as services have scored the question consistently, there is a wide degree of variation between services for other questions. The comparability of the services undertaking HGIOC should also be taken into account. The configuration of some services changed quite significantly between 2013 and 2014 which reduces the significance of direct comparison of scores.

3.10　Relatively high scores were recorded for questions that relate to:

- compliance with legislation, guidance and policy

- financial management

- the achievement of efficiency savings

- service user satisfaction.

3.11　The lowest scoring questions relate to employee engagement and reflect concern among staff on issues such as change management and workload. The results for these questions reflect the Employee Engagement Survey, which is one of the key pieces of evidence for HGIOC. Questions from the Survey that demonstrate a worsening trend over the past three years include 'I have a manageable workload' and 'Change is managed well in my area'.

3.12　Analysis of the comments included in HGIOC provides some explanation for the low scores. Participants cited the impact of VERS and service re-structuring as causing uncertainty and increasing staff workload. The re-structuring of council management also had an impact on HGIOC since many services were still undergoing significant managerial and service change (some major service reviews were ongoing during the period that the self-evaluation was being undertaken) which will have contributed to a sense of uncertainty amongst managers and staff.

3.13　Another area that received relatively low scores relates to the way in which the Council plans its resources. Participants felt that the process of financial planning was not sufficiently transparent. Questions relating to the link between resource management and service planning, how priorities are communicated among employees, and the engagement of staff in discussions about efficiency savings also received relatively low scores.

3.14　Questions relating to change management and leadership have consistently received low scores. One mitigating factor may be that the questions relating to these areas are perceived as being a reflection on others, which leads to a greater willingness by participants to select a low score.

3.15　It is worth noting that improvement actions identified from the 2013 HGIOC and the 2014 Employee Engagement survey around improving staff communications and developing managers' leadership and change management skills will not have been implemented in time to have had an impact before the 2014 HGIOC self evaluation exercises were undertaken. For example, the development and roll out of Chartered Management Institute level 3 and 5 courses for frontline and service manager was instigated in 2014, a major revamp of staff communications will be carried out in early 2015 and a series of One Council workshops for staff is being piloted in January 2015 before being rolled out.

Improvement actions arising from the 2014 HGIOC

3.16 The 2014 HGIOC exercises identified a total of approximately 400 improvement actions. Many of these actions are specific to the services undertaking the self-evaluation and will be taken forward via their service plans.

3.17 Appendix C details the improvement actions that have been suggested in the self evaluations that are relevant at a Council-wide/ corporate level along with comments about action that is already underway or should be considered to address these issues. Actions that need to be co-ordinated across the Council will be considered for inclusion in the 2015 Council Improvement Plan. These actions will be prioritised in accordance with their contribution to the Council's objectives and the capacity of the Council to undertake the action.

3.18 It should be noted that some improvement actions identified through HGIOC are already being carried out or are planned. For example, work has begun on a review of the Personal Review and Development (PRD) process which was included as a key action in the Workforce Development Plan and a review of the Council's social media policy will be carried out early in 2015.

3.19 Some of the actions in Appendix C are service specific. However, these actions would benefit from being co-ordinated centrally as similar actions have been raised by several services. One example is the undertaking of service user satisfaction surveys, which should be co-ordinated to ensure there is a degree of consistency in the questions and methods that are being used. Some services may be able to 'piggy-back' on other planned surveys or make use of the Citizens' Panel.

Evaluation of the Self-evaluation

3.20 HGIOC is now embedded within Council services as the principal framework for carrying out self-evaluation and identifying improvements across five high level questions:

- What key outcomes have we achieved?

- How well do we meet the needs of our stakeholders?

- How good is our delivery of key processes?

- How good is our management?

- How good is our leadership?

3.21 A review of how HGIOC has been carried out is undertaken each year to ascertain how the process can be improved. Last year, the review resulted in the changes to HGIOC 2014 outlined above (paragraphs 3.2 – 3.5). The review of HGIOC 2014, involving staff who participated in the self-evaluation process will be carried out early in 2015. This will inform the review of the guidance which will be issued prior to HGIOC 2015.

3.22 Over the last two years a 'peer review' exercise has been undertaken by the Chief Executive and Council Management Team who review the HGIOC process and results of several services focussing on how each service is taking forward the improvement actions arising from their self-evaluation. These reviews have proved very useful and have been used to inform the review of the HGIOC process. Seven services will be subject to the peer review exercise in the new year.

3.23 The Council applied for and was awarded Investor In People accreditation in 2014. The HGIOC self-evaluation played a significant part in this process by providing much of the evidence that was used to inform the 'Health Check' that was carried out prior to the IIP 'inspection'. The IIP inspectors were impressed with the Council's use of HGIOC and their final report provided the following positive comment: *"Your methods and mechanisms for reviewing your performance are well developed with HGIOC, Employee surveys, Customer surveys and Investors in People all used to inform changes required as you move forward."*

3.24 The Council's use of self-evaluation was also considered by the Local Area Network in preparing the Assurance and Improvement Plan Update 2014-2017 (May 2014).

"As part of its ongoing improvement journey, the council continues to use How Good is Our Council to support its approaches to self-evaluation across a broad range of its corporate and service functions. The LAN has worked actively and positively with the council to support self-evaluation activities throughout the year. {The LAN participated in the peer review sessions carried out following the HGIOC 2013.} This, along with other improvements in performance, has helped to change the LAN's assessments in 18 areas from last year's AIP from further information required to no scrutiny required."

4 POLICY IMPLICATIONS

4.1 Self-evaluation provides a means of evaluating the extent to which services are achieving their desired outcomes. Self-evaluation therefore assists the Council in the delivery of all of its priorities and outcomes. The results of self-evaluation will be reflected in service plans to ensure that improvement actions are delivered.

4.2 Conducting robust self-evaluation will assist services in demonstrating that they are achieving Best Value. External audit of the Council is conducted in proportion to the level of perceived risk. Self-evaluation is regarded as a means of identifying and addressing weaknesses and risks. Services that conduct robust self-evaluation are likely to be considered to be at lower risk and will therefore be subject to more light-touch external scrutiny

5   EQUALITIES IMPACT ASSESSMENT

5.1   This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

6   RESOURCE IMPLICATIONS

6.1   Financial – none

6.2   Personnel – none

6.3   Other – none

7   BACKGROUND PAPERS

7.1   Appendix A: List of completed HGIOC self-evaluations

7.2   Appendix B: Average HGIOC scores, rank and change between 2013 and 2014

7.3   Appendix C: Summary of Council/ Corporate improvement actions

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Appendix A: List of Services Completing HGIOC 2014 Self-evaluations

Adult Wellbeing

Benefits

Children's Wellbeing

Corporate Policy and Improvement & Internal Audit

Customer Services

Democratic Services

Economic Development & Strategic Investment

Education

Engineering Services & Building Standards

Environmental Services

Facilities Management

Finance

Housing

HR and Payroll

Information Management

IT

Legal and Procurement

Licensing

Community Partnerships

Property Maintenance

Revenues

Roads & Transport

Sport, Countryside and Leisure

Strategic Assets & Capital Plan Management

Trading Standards

Waste

Appendix B: Average HGIOC scores, rank and change between 2013 and 2014

Question	2013	2014	Change
1.1.1 How is the service performing?	4.2	4 ⇨	-0.2
1.2.1 How well does the Service comply with guidance and legislation?	4.9	4.8 ⇨	-0.1
1.2.2 How well does the Service take account of best practice?	4.7	4.5 ⇨	-0.2
2.1.1 Can service users access the services and information that they need?	4.4	4.3 ⇨	-0.1
2.1.3 How satisfied are service users and communities?	4.4	4.3 ⇨	-0.1
3.1.1 How motivated and satisfied are employees?	4	3.7 ⬇	-0.3
3.1.2 Are employees deployed effectively and appropriately?	4.6	3.9 ⬇	-0.7
3.1.4 How well supported do staff feel?	4.2	3.9 ⬇	-0.3
3.1.5 To what extent do employees feel there is a positive working environment in the Service?	4.4	3.7 ⬇	-0.7
3.1.6 To what extent do employees feel able to exercise their initiative?	4.8	4.5 ⬇	-0.3
4.1.1 How well informed are community and voluntary groups about the activities being delivered by the Service?	4.4	4.1 ⬇	-0.3
5.1.1 How up-to-date and appropriate are the policies and guidance that cover service delivery?	4.4	4.4 ⇨	0
5.1.2 To what extent can we show that there are plans and procedures to ensure that work is prioritised to address needs / demand?	4.6	4.3 ⬇	-0.3
5.4.7 Are the communication and consultation methods used by the Service effective for all stakeholders?	4.3	4.2 ⇨	-0.1
6.1.2 To what extent do relevant policies outline roles, responsibilities and expectations of quality?	4.4	4.2 ⇨	-0.2
6.2.2 How well is resource management integrated with business planning?	4.2	3.9 ⬇	-0.3
6.2.6 To what extent do employees understand the nature of risk in their area?	4.2	4.3 ⇨	0.1
7.1.2 How well understood and well employed are health and safety guidelines?	4.9	4.6 ⬇	-0.3
7.1.3 Does the Service have a sufficient number of employees to deliver its activities?	3.6	3 ⬇	-0.6
7.1.4 To what extent are employee achievements recognised and celebrated?	4.3	4 ⬇	-0.3
7.2.1 Do all employees have clear job descriptions and remits?	4.8	4.5 ⬇	-0.3
7.2.2 To what extent does the management / staff structure provide clear lines of accountability?	4.8	4 ⬇	-0.8
7.2.3 To what extent do staff participate in Council working groups and contribute to the delivery of joint services?	4.5	4.6 ⇨	0.1
7.2.4 How effective is internal communication and consultation with employees?	4.2	3.8 ⬇	-0.4
7.3.1 How well embedded is Performance Review & Development (PRD)?	4.5	3.7 ⬇	-0.8
7.3.2 Are appropriate development and training opportunities available that address employee needs?	4.6	4.1 ⬇	-0.5
8.1.2 To what extent have partnerships identified joint efficiency savings?	3.6	3.5 ⇨	-0.1
8.1.6 How well does the Service understand the financial commitment and risk to which it is exposed through external entities?	3.4	4.2 ⬆	0.8
8.1.7 How effective are the Service's arrangements for monitoring the financial and service performance of external entities?	3.2	3.9 ⬆	0.7
8.1.8 To what extent do we have sound and compliant business processes for purchasing, monitoring, and reviewing services?	4	4.2 ⇨	0.2
8.1.9 To what extent are there clear links between strategic and financial planning and commissioning decisions?	4.1	3.8 ⬇	-0.3

Question			
8.1.9 To what extent are there clear links between strategic and financial planning and commissioning decisions?	4.1	3.8 ⬇	-0.3
8.2.1 How rigorous are the management procedures to identify and deal with budgetary variances?	4.8	4.6 ➡	-0.2
8.2.2 How well does the Service monitor, review and report upon financial performance?	4.7	4.6 ➡	-0.1
8.2.4 To what extent does financial planning demonstrate Best Value?	4	4.1 ➡	0.1
8.3.1 To what extent can options appraisal and Best Value be demonstrated in asset planning?	3.6	4 ⬆	0.4
8.3.2 Has the Service undertaken measures to engage employees in the discussion of efficiency issues and to inform them of their individual responsibilities?	4.2	3.8 ⬇	-0.4
8.3.3 Does the Service have a clear understanding of the drivers of its cost profiles and how costs change in response to changing levels of activity?	4.2	4.3 ➡	0.1
8.3.4 Is the overall level of efficiencies expected properly co-ordinated with financial and service planning?	4.2	4.3 ➡	0.1
8.3.5 Can the Service demonstrate quantifiable efficiency gains over the last three years?	4.6	4.6 ➡	0
9.1.1 How strong is the leadership and direction provided by elected members and senior officials?	3.6	3.1 ⬇	-0.5
9.1.2 How effectively are Council priorities communicated among employees and members?	3.9	3.7 ➡	-0.2
9.1.3 To what extent is resource allocation transparent, evidence based and linked to key objectives?	3.8	3.7 ➡	-0.1
9.1.6 How effectively does the Service promote leadership development and succession planning?	3.6	3.8 ➡	0.2
9.2.1 To what extent do senior managers challenge and support services regarding performance?	4.2	4 ➡	-0.2
9.2.2 How effectively do senior managers drive continuous improvement?	4	4 ➡	0
9.2.3 How effective is the Service's use of self-evaluation in service improvement?	4.4	3.8 ⬇	-0.6
9.2.4 How effectively do managers encourage and promote innovation?	4.4	4.2 ➡	-0.2
9.2.5 How effectively do senior managers manage change?	3.5	3.4 ➡	-0.1

Appendix C: Summary of Council/ Corporate Improvement Actions

Actions identified in 2014 HGIOC	Response
Consultation & Feedback	
Conduct consultation on policy development and service changes	Policy development and service change should not be undertaken without consultation with stakeholders including staff and service users. Consideration to be given to whether services require guidance is required on stakeholder consultation
Make greater use of service user satisfaction data and of internal stakeholder surveys	Guidance to be provided on the use of service user satisfaction data across services, using evidence from the Citizens' Panel, the use of internal stakeholder surveys and data from partners
Greater sharing and use of customer feedback across the Council	As above
Review the channels by which people can make complaints, comments or enquiries	The Council has an effective system for Customer Feedback but consideration will be given to how this is publicised and how people can access it.
External communications	
Review / establish web pages for some services	The Council's website will undergo a major re-design tin 2015 with the aim of making it more accessible, more responsive to the needs of users, and to facilitate on-line services
Further develop online self-service options	The development of on-line services is a key aspect of the re-design of the Council website
Use social media more effectively and develop a Council-wide stance regarding the use of social media	A review of the Council's use of social media and its social media policy will be carried out in 2015
Make greater use of local radio stations for communicating and advertising services	Local radio stations are already used by the Communications team but there is limited budget for paid for advertising
Finance	
Consider how management can engage with staff about the use of resources and financial reporting	This issue will be addressed as part of the review of staff engagement being carried out in early 2015
Make the financial planning process more transparent	As above

Develop a training programme for managers regarding financial planning	This will be considered as part of the on-going assessment of manager's training and development needs
Develop the use of unit costs in some services	Consideration needs to be given as to how information about unit costs can be used in financial and service planning
Map resources to Council objectives	As above
Review the capital planning and option appraisal process	The option appraisal process was reviewed in 2014. Further work will be required to embed the use of option appraisal across the Council
Improvement planning	
Review the use of management information	The Council Improvement Plan will include an action to review and improve the use of management and performance information
Establish a skills development programme for self-evaluation	Consideration will be given to how staff involvement in HGIOC and other self-evaluation exercises is supported, including skills development
Review / consolidate the range of self-evaluation models used across the Council	Self-evaluation and external inspection frameworks have been mapped against HGIOC questions to reduce duplication
Internal communications	
Review the contents of ELNet to ensure that information is up-to-date	A major re-design of ELNet will take place in early 2015
Improve communication of the scope of services provided, especially in light of service reviews	Up-to-date information about services and staffing will be provided as part of the re-design of ELNet
Ensure that staff receive feedback regarding the results of HGIOC and other improvement activities	Staff communications is being reviewed and how staff receive feedback on HGIOC and other matters will form part of the review
Improve feedback to staff regarding CMT business	As above
Ensure that lone workers receive all communications	As above
Employee engagement	
Establish an employee suggestion scheme	Feedback from and engagement with staff will be addressed as part of the review of staff communications
Consider annual staff conferences for	One Council workshops for staff from all

services to share best practice and enable staff to consider improvement activities	services are being piloted in early 2015.
Communicate Council priorities to staff in a manner that is relevant to their work	This issue will be addressed as part of the review of staff communications
Ensure that support is provided regarding employee engagement during and after re-structuring and major service changes	As above
Involve staff in the discussion of team performance, the setting of targets and efficiency issues	As above
Consider ways to improve the recognition of employee achievements	As above
Ensure regular team meetings are conducted	As above
PRD	
Review the PRD process	A review of the PRD process is being carried
Ensure that the PRD process is used consistently across the Council	This issue is a key part of the review of the PRD process
Risk management	
Survey staff to gauge the extent to which they understand risk in their area	Consider whether managers require further guidance on risk management and engaging staff in understanding risk
Engage staff in reviewing service risks	As above
Service planning	
Ensure that the service plan is used to inform team meetings, PRD etc.	Will be considered in the review of staff communications and the review of the PRD process
Training & Development	
Provide CMI 3 training for all new start managers	The programme of CMI Level 3 training is being rolled out and will be offered to new start managers
Establish a Learning & Development Strategy	Learning and development for all staff is a key part of the Workforce Development Plan. Assessing staff learning and development needs will form an important part of the outcome of the review of PRD process
Provide wider access to management training to facilitate succession planning	This is a key part of the Workforce Development Plan